

## Federal Property Management Regulations

## § 101-45.304-12

45.4901-151) may also be accepted when provided for in the invitation for bids.

(c) Irrevocable commercial letters of credit issued by a bank established in the United States, payable to the Treasurer of the United States or to the Government agency conducting the sale, may be used in lieu of the foregoing forms of deposit. Such letters shall be substantially in the format shown in § 101-45.4802. General instructions relating to the preparation of letters of credit are also contained in § 101-45.4803.

(d) Any draft drawn against such letter of credit shall be substantially in the format shown in § 101-45.4804. The draft shall be accompanied by a transmittal letter and certification substantially in the format shown in § 101-45.4805.

(e) Final payments shall be acceptable in the same forms as for bid deposits, with the exception of deposit bonds.

(f) Potential buyers shall be notified as to the exact organizational entity to the order of which the prescribed form of deposit is to be made payable. In no event shall a bid be rejected solely on the grounds that the instrument of deposit is made payable to the Treasurer of the United States when the offering specifies that it be made payable to the Government agency conducting the sale, or conversely, as the case may be.

[30 FR 2930, Mar. 6, 1965, as amended at 35 FR 12121, July 29, 1970; 42 FR 40854, Aug. 12, 1977]

### § 101-45.304-11 Deposit bonds.

(a) *Standard forms.* The following standard forms, as applicable, shall be used when a bond, in lieu of cash or other acceptable form of bid deposit, is permitted by the sales invitation.

(1) Standard Form 150, Deposit Bond—Individual Invitation, Sale of Government Personal Property. (See § 101-45.4901-150.)

(2) Standard Form 151, Deposit Bond—Annual, Sale of Government Personal Property. (See § 101-45.4901-151.)

(3) Standard Form 28, Affidavit of Individual Surety. (See § 101-45.4901-28.)

(b) *Instructions and procedures.* (1) Comprehensive instructions for the execution and use of Standard Form 150, Deposit Bond—Individual Invitation;

Standard Form 151, Deposit Bond—Annual; and Standard Form 28, Affidavit of Individual Surety, are provided on the reverse of each form. Implementing instructions shall be consistent therewith.

(2) Standard Form 151, Deposit Bond—Annual, contains the following provision:

Upon the making of an award to the principal, or within a reasonable period of time thereafter, the Government shall transmit, in writing, the following information to the surety at the above address:

(i) Name and address of the principal(s); (ii) number of the invitation for bids; (iii) name and address of the department or agency making the award; (iv) date of the award; and (v) total purchase price covered by the award. The phrase, "or within a reasonable period of time thereafter", shall, for practicable purposes, be construed to mean within 15 days following the making of the award. Optional Form 20, Notice to Surety—Deposit Bond—Annual (illustrated at § 101-45.4903-20) is a form of written notice available for this purpose.

(3) In the event a bidder whose bid deposit is secured by a deposit bond attempts to withdraw his bid in violation of paragraph 3, General Sale Terms and Conditions, Standard Form 114C, and such bid is determined to be the high bid acceptable to the Government, a formal notice of award shall be issued to inform the bidder of his contractual obligations.

(4) In the event of default by a bidder whose bid deposit has been secured by a deposit bond, a notice of such default should be sent to the bidder (principal) and the surety.

[30 FR 2930, Mar. 6, 1965, as amended at 42 FR 40854, Aug. 12, 1977]

### § 101-45.304-12 Sales to State and local governments.

(a) *General.* (1) State and local governments may purchase Government personal property by:

(i) Negotiation through their State agencies for surplus property as prescribed in this § 101-45.304-12;

(ii) Negotiation at fixed prices through their State agencies for surplus property as prescribed in this § 101-45.304-12;

(iii) Participation in public sales of Government personal property on a competitive bid basis by having their